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SUBJECT: 2003 INTERNATIONAL NARCOTICS CONTROL STRATEGY
-- REPORT (INCSR) - VIETNAM

REFS: A. HANOI 2622 B. HANOI 3288 C. HANOI 1504 D. HANOI 1885
E. HANOI 0827 F. HANOI 1043 G. HANOI 0353 H. HANOI 0549
[I](#). HANOI 3239 J. HCMC 1233

[I](#). SUMMARY

[1](#)1. (U) The Government of Vietnam (GVN) continued to make progress in its counternarcotics efforts during 2003. Specific actions included: sustained efforts of counternarcotics law enforcement authorities to pursue drug traffickers; increased attention to interagency coordination; continued cooperation with the United Nations Office on Drugs and Crime (UNODC); increased attention to drug treatment and harm reduction; an increased tempo of public awareness activities; and additional bilateral cooperation on HIV/AIDS, an issue closely related to intravenous drug use in Vietnam. Additionally, In December 2003 the GVN and the USG signed a long-delayed Counternarcotics agreement. However, real cooperation with DEA's Hanoi Country Office was minimal. Vietnam and the U.S. should be able to use the new CNA to enhance bilateral interaction. Ref I addresses money-laundering issues.

[1](#)2. (U) Vietnam is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. End Summary.

II. STATUS OF COUNTRY

[1](#)3. (U) By USG definition, Vietnam meets the legislative criteria as a "major drug-producing" country (at least 1,000 hectares of poppy cultivation). However, GVN, UNODC, and law enforcement officials do not consider cultivation a major problem. The USG estimates 2,300 hectares of poppy are cultivated in the northern and western provinces of Lai Chau, Son La, and Nghe An, usually in remote mountain areas. However, this estimate is based on a year 2000 USG imagery-based survey. To the best of Embassy Hanoi's knowledge, the USG has not updated the 2000 survey. Accordingly, it is not possible to verify whether this figure is still accurate. The GVN claims a much lower figure (94 hectares). Due to the small amount of poppy cultivation, since 2000 official UNODC statistical tables for illicit cultivation ceased to list Vietnam separately; rather, the table considers Vietnam within the category of "other Asian countries." Cultivation in Vietnam probably accounts for about one percent of cultivation in Southeast Asia, according to a law enforcement estimate. There appear to be small amounts of cannabis grown in remote regions of southern Vietnam. Anecdotal evidence also suggests that there may be larger commercial crops of hemp in remote regions in the south.

[1](#)4. (U) Vietnam has not been considered a source or transit country for precursors. According to DEA, Vietnam is exporting relatively large quantities of sassafras oil, a substance which has legitimate uses (for insecticides, soap, and perfume) but which can also be used as a precursor for the hallucinogen methylenedioxymethamphetamine (MDMA). DEA has in the past received reports that Vietnam-sourced sassafras oil has been connected to European MDMA production. Overall, the GVN is concerned in general about precursors and has begun to take action. On May 29, the GVN issued Decree 58, which deals with the control of, import, export, and transit of drug substances, precursors, addictive drugs, and psychotropic substances. According to the decree, only businesses authorized by the Ministries of Health (MOH), Industry, and Public Security (MPS) can import/export drug substances, precursors, addictive drugs, and psychotropic substances for specific, licit purposes. The GVN has tasked MPS to coordinate with other concerned ministries and agencies to manage and control the import/export of these narcotic substances. In an effort to support Vietnam's efforts to enhance its precursor control capacity, the GVN and UNODC signed on December 1, 2003 a project (G55) document titled "Interdiction and Seizure Capacity Building with Special Emphasis on ATS and Precursors."

[1](#)5. (U) More significant drug issues in Vietnam are transit and the rising popularity of amphetamine-type stimulants

(ATS). Heroin from the Golden Triangle and the PRC transits Vietnam en route to Taiwan, Hong Kong, and, increasingly, Australia. While UNODC views the PRC more as a source of heroin and, increasingly, of tranquilizers used to cut heroin for domestic use in Vietnam, the PRC is probably also a destination for some Golden Triangle heroin transiting Vietnam. DEA has not yet tied any drug seizures in the U.S. directly to Vietnam, but reports that some may be entering the U.S. via Canada. Concerning Australia, there were several courier seizures of heroin destined for Australia, demonstrating that Australia may be an increasingly preferred destination for heroin transiting Vietnam. (Note: See Drug Flow/Transit section below for more details. End note)

16. (U) It appears that some cannabis, heroin, and synthetic drugs are entering Vietnam from Cambodia. Regarding ATS, GVN authorities are particularly concerned over the rising use among urban youth and, during 2003, increased the tempo of enforcement and awareness programs that they hope will avoid a youth epidemic situation similar to what has occurred in Thailand. According to the Standing Office of Drug Control (SODC), ATS and ecstasy (MDMA) are still popular among the youth addict population, in addition to the ever-rising demand for heroin. (Note: According to DEA, these drugs may be methamphetamines rather than MDMA. End Note.)

III. COUNTRY ACTIONS AGAINST DRUGS IN 2003

Policy initiatives

17. (U) The structure of the GVN's counternarcotics efforts is built around the National Committee on AIDS, Drugs, and Prostitution Control (NCADP). Deputy Prime Minister Pham Gia Khiem chairs NCADP, which includes a broad spectrum of GVN ministries and mass organizations. Key officials include four deputy chairpersons: Minister of Public Security Le Hong Anh; Minister of Labor, War Invalids, and Social Affairs (MOLISA) Nguyen Thi Hang; Minister of Health Tran Thi Trung Chien; and Ha Thi Lien, Standing Member of the Presidium of the Fatherland Front.

18. (U) According to UNODC, during 2003 the GVN continued to focus on the drug issue. The drug issue poses a "real headache" for the GVN, UNODC officials confirmed. This also led to an increase in attention from the state-controlled media. UNODC reported that in accordance with GVN strategic plans, GVN officials, without foreign donor support, undertook more study missions concerning drugs both within the country as well as to regional neighbors than in previous years.

19. (U) During a January conference organized by MOLISA Prime Minister Phan Van Khai called on the entire political system from the central to local levels to make a concerted effort against drugs and prostitution. The National Assembly (NA) in 2003 also called for more effective measures against drug crimes and prostitution.

110. (U) According to MOLISA, in addition to national programs and projects, provinces and cities have implemented their own programs. Some examples are Tuyen Quang with its effective "three stages" treatment model, Nghe An with the goal of "demand reduction," Ho Chi Minh City with its "three reductions" program, Danang with its "five nos" program, and Haiphong with its "three nos" program.

111. (U) Maintaining the oft-repeated theme of international drug control cooperation, in 2003 GVN representatives routinely emphasized the importance of fighting drugs. In particular, the GVN used the September 2003 Ministerial Meeting of the Signatory Countries to the 1993 Memorandum of Understanding on Drug Control to make an international media splash with anti-drug speeches by Deputy Prime Minister Vu Khoan and other luminaries (ref A). However, DEA has reported that law enforcement agencies in Vietnam have still never participated in a bilateral drug investigation with any foreign country, while sometimes acting unilaterally upon narcotics trafficking information provided by foreign law enforcement agencies.

112. (U) Increasing efforts to support drug awareness and prevention, demand reduction, and treatment of drug users and addicts:

-- The GVN views drug awareness and prevention as a significant objective in its fight against drugs as well as an integral part of its effort to comply fully with the 1988 UN Drug Convention. The GVN has continued a steady drumbeat of anti-drug propaganda, culminating in June's drug awareness week (the week of June 23). During that week, youth and mass organizations engaged in various activities to spread the anti-drug message. These included art contests/performances, speeches, street parades, displays of

posters/slogans, and signing of "drug free" commitments and meetings/gatherings. Recently, state-controlled television (VTV) and radio (the Voice of Vietnam) have begun regular programs called "SOS Drugs" and have been airing a series of anti-heroin spots. According to Lt. General Le The Tien, Vice Minister of Public Security, by June 10,000 anti-drug news items and articles had already been covered on the radio and in newspapers, and there were 14 anti-drug programs on four official channels of VTV. In February 2003, municipal sectors, agencies and steering committees of districts, communes, and wards in Hanoi increased local information, education and communication activities. Hanoi Television and the Voice of Hanoi also increased the time volume on the current special program "Drugs SOS." Authorities also strengthened implementation of the community effort called "Search in Each Lane, each House for each Drug Addict" by volunteers in Hanoi.

-- In May, Prime Minister Khai declared June 26 to be anti-drug day, and June to be anti-drug month. On the occasion of 2003 Drug Awareness Day, various activities took place across the country. In Hanoi, around 2,000 people met at a rally to celebrate anti-drug day in the City Park. Deputy Prime Minister Pham Gia Khiem, Fatherland Front President Pham The Duet, Hanoi Vice Mayor Nguyen Quoc Trieu, MPS Vice Minister Tien, MOH Vice Minister Pham Manh Hung, and UNODC Representative Doris Buddenberg attended the event. An anti-drug exhibition opened in Hanoi displaying photographs and children's paintings about drugs and drug addiction sponsored by the Ministry of Culture and Information (MCI), the Vietnam Art Exhibition Center, and the Supervisory Board on Population, AIDS, and Social Problems, on the same occasion. Outside Hanoi, Youth Unions in 12 provinces of the Mekong Delta organized a two-day jamboree in Can Tho. Over 300 young people participated in art performances, music shows, and athletic contests. They also met to discuss drug and HIV/AIDS prevention among young servicemen, farmers and workers. At another meeting to celebrate the Day in the Mekong Delta province of Tien Giang, Women's Union and Public Security forces in 18 southern provinces and cities pledged to share their efforts to prevent and combat drug addiction. Vice President Truong My Hoa attended the ceremony.

13. (U) In December 2000, the NA passed a national law on drug suppression and prevention. The law came into effect June 1, 2001. The Ministry of Justice (MOJ) was tasked with working with MPS and other relevant agencies to review existing counternarcotics legal documents and make appropriate amendments to facilitate implementation of the new law. UNODC is assisting the GVN to develop these implementing regulations for the new law, which will allow law enforcement authorities to use techniques such as controlled deliveries, informants, and undercover officers. During 2003, the GVN made some progress on developing these implementing regulations. As of now, the GVN has made public eight decrees related to the counternarcotics law. These decrees:

- list the narcotic substances and precursors;
- guide the control of lawful drug-related activities in Vietnam;
- stipulate the rehabilitation order, procedures, and regimes for drug addicts consigned to compulsory rehabilitation centers;
- designate family organization and community-based rehabilitation; and,
- prescribe the regime of compensation and allowances for individuals, families, agencies, and organizations suffering life, health, and property damage while participating in drug prevention activities.

One other key decree, concerning law enforcement, has apparently been issued, but according to an MPS official, it has not been made public due to its "sensitivity." During 2003, the GVN also issued four other decrees to:

- stipulate the rewards and commendations for individuals, families, agencies, and organizations recording achievements in drug prevention;
- assign responsibility on international cooperation in the field of drug prevention;
- add a number of substances to the list of narcotics and precursors; and,
- regulate the control of import, export and transit transportation of illicit drugs, precursors, narcotic drugs and psychotropic substances.

A preliminary analysis by a UNODC legal official concluded that the decrees are "insufficient in terms of establishing a proper drug control legal system," however. The decrees tend to focus on drug control areas, which are "generally less complex and controversial," the official added. There is still a need for "new and proper" legal instruments in areas such as procedures, conditions, systems for investigations, international cooperation, extradition, controlled delivery, and maritime cooperation, according to

the analysis. According to a senior drug treatment policy maker, on December 2 the Prime Minister issued a decree on the conditions for the private sector to run treatment centers, and by early 2004, one more decree will be issued to replace Decree 34, in line with the Ordinance on Administration.

14. (U) In addition to these four decrees, the GVN held other meetings and workshops, including one workshop in August commissioned by the Communist Party of Vietnam (CPV) on drugs and HIV/AIDS harm reduction. This unprecedented conference included international organizations such as the WHO as well as Vietnamese and foreign NGOs. During the conference, the leader of the CPV Commission for Ideology and Cultural Affairs called for effective measures to "save the lives of those 153,000 people, who are being killed by drugs." Participants noted that the recommendations of the workshop would be sent to the "highest level" of the CPV for consideration. In September, MOH organized a conference on "HIV Prevention in Injection Drug Users: Scientific Evidence and Best Practices" to inform ministerial and provincial level officials on published evidence, and to discuss the outcomes of pilot interventions in Vietnam. The conference also contributed to information for use in Vietnam's national HIV/AIDS strategy through 2010. During the closing discussions, MOH officials noted that support for HIV prevention strategies in no way undermines the importance of anti-drug strategies including supply reduction and demand reduction.

15. (U) The GVN continued to move forward in developing its long-term counternarcotics master plan, with the assistance of several foreign donors, including the U.S. and UNODC. The current 2001 - 2005 plan of action includes the following 13 projects:

- building the national master plan for drug control through 2010;
- strengthening the capacity of the national coordinating counternarcotics agency;
- implementing crop substitution programs in Ky Son District, Nghe An Province;
- strengthening the capacity to collect and use drug information;
- strengthening the capacity to prevent and arrest drug criminals;
- building and completing a counternarcotics legal system;
- educating students on drug awareness and prevention;
- strengthening drug prevention activities in Vietnam;
- preventing drug abuse among workers;
- strengthening the capacity to treat and rehabilitate addicts;
- preventing drug use among street children;
- reducing the demand among ethnic people; and,
- preventing the spread of HIV/AIDS among addicts through demand reduction intervention.

16. (U) According to SODC, almost all of the projects are ongoing with either foreign or domestic funding. SODC officials claimed that the master plan until 2010 is awaiting the Prime Minister's approval, and they expected the plan to be finalized by late 2003 or early 2004. SODC has also received support in the form of computers and a network from the British Government. SODC also expressed satisfaction with the effective implementation of the (partially USG funded) Ky Son project (Phase II), and the recent signing of a U.S.-funded project titled "Interdiction and Seizure Capacity Building with Special Emphasis and ATS and Precursors" between MPS and UNODC.

17. (U) According to SODC officials, the GVN at the national level expended approximately USD 6 million for counternarcotics activities in 2003. They confirmed that the expenditure continues to increase, and noted that spending at all government levels is many times higher. As in past years, observers agree that overall lack of resources nonetheless continued to be a major constraint in counternarcotics activities.

18. (U) In 2003, Vietnam continued its efforts in regional and multilateral law enforcement coordination, key elements towards full compliance with the 1988 UN Drug Convention. Vietnam has existing agreements and MOUs with the PRC, Burma, Thailand, Cambodia, Laos, Hungary, and Russia. In January 2003, Vietnam issued new regulations on international cooperation on counternarcotics, accompanied by a decree signed by Prime Minister Khai. In June, Vietnam hosted the ASEAN Senior Officials Meeting on Transnational Crime (SOMTC). Representatives from the PRC, the U.S., the ROK, Japan, the EU, and Interpol attended the meeting, in addition to the ASEAN members. Also in June, Vietnam and Thailand agreed to sign an anti-crime treaty, and the Australian Federal Police (APF) opened an office in Ho Chi Minh City. In July, Vietnam and Laos signed an MOU on drug control cooperation for 2003. In December 2003, Vietnam, Laos, and Cambodia met in Hanoi to review their

counternarcotics cooperation in 2003 and work out cooperative measures and orientations for the coming year. In June 2003, an annual meeting was organized in Thanh Hoa to review the drug control cooperation of three provinces of Thanh Hoa and Son La (Viet Nam) and Hua Phan (Laos). An MOU on drug control cooperation for 2003 and the following years was signed at the meeting. Regarding Thailand, NA Vice Chairman Nguyen Van Yeu said on 18 August in Hanoi that Vietnam sought closer cooperation with Thailand in the combat against drug trafficking and addiction. During 2003, according to the SODC, Vietnamese officials made 12 working visits and study tours, mostly to the PRC, Burma, Laos, Cambodia, and Thailand. 100 Vietnamese counternarcotics officers were sent for training overseas and 1,000 other drug law enforcement officers received training at home. In September, Vietnam hosted the Senior Officials Committee and Ministerial Meeting of the Signatory Countries to the 1993 Memorandum of Understanding on Drug Control. The three-day meeting brought together Minister-level officials from Burma, Cambodia, Thailand, Laos, the PRC, and Vietnam to discuss key drug issues and review the status of the major projects and subprojects that make up the Subregional Action Plan on Drug Control. One of the main outcomes was to agree to expand the Border Liaison Offices along the borders of the signatory countries. Vietnam and China have already had success in cross-border law enforcement liaison: in April 2003 the Vietnamese handed over a Chinese drug dealer to Chinese authorities at the Mong Cai border crossing.

19. (U) Vietnam continued to cooperate with INTERPOL during 2003. Much of this cooperation involved assisting authorities from Canada, Germany, and Australia to investigate drug trafficking cases between overseas Vietnamese and criminal organizations located in Vietnam.

20. (U) Multilaterally, Vietnam continued to work closely with UNODC. In 2002, the GVN assumed management responsibility for the second phase of the crop substitution project in Ky Son, Nghe An province. In addition, Vietnam continued to participate in a UNODC subregional project for strengthening cross border coordination with its neighbors, as part of the action plan mentioned in Paragraph 18.

21. (U) During 2003, DEA's Hanoi Country office and Embassy Hanoi reported that, despite repeated statements affirming that law enforcement cooperation is a key component of the drug war, GVN law enforcement authorities, especially the counternarcotics police, did not provide meaningful cooperation to DEA's Hanoi country office. In addition, DEA reported that, due to existing MPS policies, DEA agents have not been permitted officially to work with GVN counternarcotics investigators. Generally, cooperation was limited to receiving information from DEA and holding occasional meetings. Thus far, the counternarcotics police have declined to share information with DEA or cooperate operationally. GVN officials generally classify drug information as "secret," subject to national security regulations, and explain this as the main reason for their inability to cooperate more fully with DEA (Ref b). Even with new "implementing regulations" to buttress the 2001 law, Counternarcotics Department (CND) and other drug enforcement agencies remain limited as to what they can achieve in their investigations and the impact they can make on the drug trade in Vietnam. CND officers target mostly low-level drug distributors who remain within the narrow grasp of their authority and investigative capability. Unfortunately, even well intentioned CND officers may not act independently when conducting investigations and utilizing their authority. According to the DEA, the GVN needs to update and relax its restrictive policies regarding the exchange of drug related information with foreign agencies, so that real law enforcement cooperation can occur in Vietnam.

22. (U) On a more positive bilateral note, in December the GVN made some significant concessions in the terms of a long-awaited letter of agreement on counternarcotics activities between the U.S. and Vietnam; the agreement was signed in Los Angeles by Vice Foreign Minister Le Van Bang and Ambassador Burghardt on December 11 during the visit of Deputy Prime Minister Vu Khoan. The new agreement will allow for greater bilateral cooperation, especially in the area of training.

Accomplishments -----

23. (U) In 2003, Vietnam continued to make progress in achieving full compliance with the 1988 UN Drug Convention. The GVN implemented four new decrees, with one concerning regulations on the control of import, export, and transit transportation of illicit drugs, precursors, narcotic drugs and psychotropic substances, as part of the 2001 counternarcotics law. On May 29, the GVN issued Decree 58, which deals with the control of import, export, and transit of drug substances, precursors, addictive drugs, and

psychotropic substances. According to the decree, only businesses authorized by the Ministries of Health, Industry, and Public Security can import/export drug substances, precursors, addictive drugs, and psychotropic substances for specific, licit purposes. The GVN has tasked MPS to coordinate with other concerned ministries and agencies to manage and control the import/export of these narcotic substances. As implementing regulations are developed for the counternarcotics law, the GVN should enhance its capacity to engage in counternarcotics activities within an appropriate legal framework. The work begun in 2002 and continued in 2003 on the national master plan for controlling precursor chemicals is also an important step in this direction.

124. (U) In March, the GVN held a national conference to review counternarcotics and anti-prostitution work in 2002 and work out plans for 2003. Prime Minister Khai spoke at the conference. In his speech, Khai emphasized the need for deeper awareness of the consequences of drug abuse and cited this problem as one of impediments to the development of the country. The Prime Minister called for strong law enforcement measures against drugs, especially by:

- Strengthening and deepening education programs to raise the public awareness;
- Ensuring proper state management at all levels through:
 - (1) stricter implementation of the GVN's poppy elimination policy;
 - (2) better coordination among concerned authorities, including at local level, to reduce supply and demand;
 - (3) closer coordination among the police, army, and customs in controlling and preventing drug flows;
 - (4) tighter control over businesses and services that can be easily taken advantage for drug use and trafficking;
 - (5) rewards and fines where appropriate and necessary.
- Reorganizing and strengthening the drug enforcement apparatus at all levels;
- calling on the central standing committee of Vietnam Fatherland Front and its member organizations actively to participate in encouraging the attendance by the entire public in "the campaign to detect and combat social evils."

125. (U) According to Cong An Nhan Dan (People's Police) newspaper, the Prime Minister issued an official letter to launch a nationwide counternarcotics drive during the anti-drug month of June. The letter called on all ministries, offices, and provincial people's committees to make a concerted effort against drugs. According to SODC, two other nationwide drives -- in March and in September -- also took place in 2003.

126. (U) SODC also assessed highly the importance in 2003 in the fight against drugs as well as towards full compliance with the 1988 UN Drug Convention of the passage by the NA of Decision no. 356, approving the establishment of Department of Crime Statistics in the Supreme People's Procuracy.

Law enforcement efforts -----

127. (U) According to GVN 2003 seizure statistics (January 1 to September 30), heroin seizures increased by about 350 percent; marijuana seizures were up by over 40 percent; and, the area of poppy cultivated declined from about 315 hectares to 94 hectares, which the Ministry of Agriculture and Rural Development (MARD) attributed to tougher suppression efforts in mountain areas, especially the northwestern provinces of Son La and Lai Chau, which account for 60 percent of re-cultivation. The total number of registered addicts rose from 131,000 to 152,900, an increase of about 17 percent. According to SODC, the actual number of addicts in the country (including non-registered addicts) is certainly "many times higher."

128. (U) The GVN continued a policy of strict punishment for drug offenses. Seizures of opium, heroin, and amphetamine-type stimulants (ATS) increased during the reporting period. The GVN has continued to arrest and prosecute drug traffickers in 2003. According to GVN statistics, during the first nine months of calendar year 2003, there were 10,000 drug cases with 16,000 suspects arrested. If projected over the entire year, this represents a reduction of 8.7 percent in the number of cases and 9 percent in the number of suspects arrested, however. DEA and other law enforcement entities remain concerned that most arrests involve relatively low-level street dealers.

129. (U) Drug laws remain very tough in Vietnam. Possession of 100 grams of heroin or 5 kilograms of opium gum or cannabis resin or 75 kilograms of cannabis or opium plants may result in the death penalty. For possession or trafficking of 600 grams or more of heroin, death by a seven-man firing squad is "mandatory," according to another press report. Despite the tough laws, SODC reported, "drug trafficking continues to rise."

130. (U) During the year, Embassy Hanoi reported several large drug cases (refs c, d, and e). In Quang Tri (one of the central provinces of Vietnam that borders Laos), a drug ring was exposed in June after Quang Tri provincial counternarcotics police seized 40 kilograms of heroin on a truck entering Vietnam from Laos via Lao Bao border gate. (Note: During all of 2002, GVN law enforcement entities seized only about 55 kilograms of heroin. End note) During a second, more complete search later in the month, authorities uncovered an additional 33 kilograms of heroin hidden under 10 tons of scrap metal on the same truck. In another major case, Ho Chi Minh City counternarcotics police arrested eight people on charges of smuggling a record amount of 462 kilograms of heroin over the course of the year. According to Ho Chi Minh City Counternarcotics Police, the eight traffickers included the chief of Nghe An Province's Tuong Duong District Counternarcotics Police. The group smuggled the heroin from Laos through Nghe An to southern provinces for consumption. The police suspect that the traffickers are linked with other organized criminal syndicates in Asia. A third major case was the trial of 25 suspects in Lai Chau Provincial Court on charges of trafficking 89.65 kilograms of heroin between 1996 and 2001. Despite these high-profile cases, lack of training, resources, and experience both among law enforcement and the judiciary continue to plague Vietnamese counterdrug efforts, according to law enforcement sources and UNODC.

131. (U) Foreign law enforcement sources do not believe that major trafficking groups have moved into Vietnam. Relatively small groups -- perhaps five to 15 individuals, who are often related to each other -- usually do most narcotics trafficking. As Vietnam becomes a more "attractive" transit country, larger trafficking groups could become more prominent, according to DEA.

132. (U) Resource constraints among GVN counternarcotics police continued to be a major problem during 2003 especially among provincial counternarcotics police. Even SODC -- the national office for coordinating all counternarcotics activities -- lacked a database computer system until December 2002, when the British Government provided this assistance. Embassy visits to Quang Ninh, Lang Son, An Giang, and Can Tho provinces revealed that counternarcotics police (and all local police) work with a significant lack of resources, especially specialized equipment. Officials in the Cambodian border province of An Giang told emboffs that, in the rainy season, when the border area floods enough to permit boat traffic over a large body of water that forms over rice paddies along the border, policing the border is nearly impossible because the customs and border police have only a single boat (ref J). Officials in these and other provinces have consistently told emboffs that they would welcome additional US equipment and training.

133. (U) On 18 June, the General Department of Customs (Ministry of Finance) and the General Department of Police (MPS) signed a protocol for cooperation in the combat against smuggling, commercial fraud, cross-border trafficking of illicit drugs, contraband and counterfeit goods.

Corruption

134. (U) The GVN continued to focus on narcotics-related corruption, making policy statements that made it clear that corruption would not be tolerated and would be severely punished, including the removal and prosecution of corrupt officials. However, the UN, law enforcement agencies, and even the GVN continue to view corruption in Vietnam as an endemic problem that exists at all levels and in all sectors. In public statements, the GVN and CPV take a strong stand against corruption in general, but have not singled out narcotics-related corruption for specific attention. Colonel Bui Xuan Bien, the director of SODC, confirmed that "any GVN official who violates laws about corruption" would be prosecuted. A major criminal case (that of "Mafia" chief "Nam Cam" and 154 other defendants in Ho Chi Minh City) included charges of corruption, in addition to crimes such as murder, assault and gambling. Two defendants had been expelled from the Communist Party of Vietnam's Central Committee in 2002 in connection with this case; one of these had also been an MPS Vice Minister. Another defendant had been the Deputy Supreme Prosecutor. 154 defendants were found guilty, including numerous police officials. There were six death sentences and a variety of other prison sentences, including life imprisonment. On the day of the verdict, one of Nam Cam's top syndicate officials, Nguyen Van Hoa, and seventeen others were arrested in Japan for trafficking in heroin, according to press reports. In March, nine MPS officials were found guilty of bribery. In June, the People's Court in Quang Nam province in central Vietnam sentenced the director of a state-run construction company to life imprisonment for

embezzlement. In another case, President Tran Duc Luong rejected leniency pleas from two former executives sentenced to death for a scheme to "appropriate state property through graft," according to a May press report.

135. (U) Senior GVN officials continue to speak out against corruption. In late January, Prime Minister Khai visited MPS and emphasized the need to fight all crime and corruption. In March, the Prime Minister said that officials who "turn a blind eye to drug-related crime will be punished." In February, the Ministry of Foreign Affairs (MFA) spokesperson said in response to a question that the GVN considers the fight against corruption "an important task." During a meeting in Hanoi, State President Tran Duc Luong called for an organizational revamp of the judiciary and sought greater efficiency and morality from its personnel to enhance the quality of trials.

136. (U) During 2003, three counternarcotics police officers in Hanoi were prosecuted for taking bribes from drug dealers who were arrested on charges of trafficking 300 kg of opium and 39 bricks of heroin from Lai Chau. Another example was Dao Van Thanh, Chairman of Hanoi's Thanh Xuan Trung Ward People's Committee, who was arrested for involvement in illicit drug trafficking. His wife and his sister were also captured while selling 50 cartons of Bromazepam (diazepam) illegally to a drug store. Subsequently, a house search revealed 3,119 cartons more. The seizure included in total 93,570 tablets of Bromazepam, USD 5,900, Lao Kip 1 million and a Toyota Landcruiser. According to Hanoi Health Service, there are 1,500 private pharmacies in the city now, of which only 100 are permitted to sell psychoactive medicines.

137. (U) Vietnam does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Recognizing the need for more anti-corruption assistance, the GVN signed an agreement with Sweden in September 2002 for research on socio-economic policy and anti-corruption measures. Under the USD 2.7 million project, scheduled to run from the end of 2002 through 2005, Sweden will provide resources to assist Vietnam in developing appropriate anti-corruption policies. While the official agreement is with the Ministry of Planning and Investment, the actual partner is the CPV and, according to an official of the Swedish Development Corporation, the program is "quite sensitive." A diagnostic study on how to implement the program "should be started by the end of the year."

138. (U) Embassy has no information linking any senior official of the GVN with engaging in, encouraging, or facilitating the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Concerning narcotics-related corruption, the GVN did demonstrate a willingness in 2003 to prosecute officials, though the targets were relatively low-level.

139. (U) According to UNODC, "narcotics-related corruption is only a very small part of overall corruption." However, significant levels of official corruption exist in Vietnam. Both the GVN and the CPV have made combating corruption one of their top priorities, and senior officials have made unambiguous statements that not only must officials not engage in corruption but that they will be held personally responsible for such wrongdoing by their relatives and subordinates as well. No such cases have yet been made public, however.

Agreements and treaties -----

140. (U) With the exception of the recently-signed Counternarcotics LOA, the USG has no extradition, mutual legal assistance, or precursor chemical agreements with Vietnam. The LOA includes two specific counternarcotics training projects. The GVN has also repeatedly expressed an interest in negotiating a mutual legal assistance treaty with the USG.

141. (U) Vietnam is a party to three UN Drug Control Conventions, including the 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the 1988 Convention Against Illicit Trafficking in Narcotics Drugs and Psychotropic Substances.

142. (U) To further its compliance with the 1988 UN Drug Convention, Vietnam moved ahead in 2003 to increase both operational and formal cooperation with neighboring countries and countries in the region. From November 27-30, a delegation of Cambodia's Ministry of the Interior led by Department Director General Lieutenant General Vann Noy paid an official visit to Vietnam. During the exchange, the two sides discussed measures to strengthen cooperation between

Vietnam's MPS and Cambodia's Ministry of Interior in maintaining security along the border and combating crimes, including drug trafficking. The counternarcotics police of Vietnam and Thailand separately pledged further to tighten cooperation in combating drug trafficking and abuse in Southeast Asia. During a visit to Thailand by a delegation of Vietnam National Drug Control Office, MPS Vice Minister Tiem held talks with his Thai counterpart on drug related issues. Tiem and his delegation members also attended seminars on drug law enforcement and studied Thailand's drug enforcement apparatus and its measures to root out drug offenders, especially recent campaigns in Bangkok and northern Thailand. According to a January 2003 "People's Police" press report, from 1998 to the end of 2002 the GVN sent 122 delegations, including over 700 counternarcotics police officials, to overseas training and/or conferences. According to SODC and press reports, in March MPS Vice Minister Tiem also visited the PRC and discussed bilateral drug cooperation with the leadership of the PRC's Drug Control Committee. In February, another GVN delegation traveled to Thailand to attend a regional conference on controlling opium poppy cultivation. In April, Vietnamese and Lao provincial counterparts from Nghe An and Laos' Xiengkhouang provinces met to improve cross-border counternarcotics cooperation. In June, Vietnam hosted the ASEAN Senior Officials Meeting on Transnational Crime (SOMTC) and Counterterrorism as well as separate SOMTC+EU, SOMTC+China, SOMTC+3, and SOMTC+US sessions. The meetings included a discussion on regional drug issues. Specifically, the Burmese delegation discussed the need for an enhanced regional approach.

143. (U) Vietnam has counternarcotics agreements and MOUs with seven other countries: Burma (March 1995), Thailand (November 1998), Russia (October 1998), Hungary (June 1998), Cambodia (June 1998), Laos (July 1998), and China (July 2001). In 1993, with UNODC support, Vietnam signed regional counternarcotics MOU with the PRC, Laos, Burma, Thailand, and Cambodia. The six "MOU states" agreed to cooperate on counternarcotics activities and, with UNODC's help, better coordinate their law-enforcement efforts, especially along the borders. Vietnam is currently precluded by statute from extraditing Vietnamese nationals, but the GVN is contemplating legislative changes, according to an MFA official. However, at the request of the USG (and in accordance with the 1988 UN Drug Convention), Vietnam acceded to two rendition requests (one each from the FBI and US Customs) and returned two non-citizens to the U.S., where they were wanted for various white collar and money laundering crimes.

Cultivation/production -----

144. (U) The GVN and UNODC confirm that opium is grown in hard-to-reach upland and mountainous regions of some northwestern provinces, especially Son La, Lai Chau, and Nghe An Provinces. According to USG sources, the total number of hectares under opium poppy cultivation has been reduced sharply from an estimated 12,900 hectares in 1993, when the GVN began opium poppy eradication, to 2,300 hectares in 2003. (Note: The 2003 USG estimate is the same as 2000 because, to the best of Embassy Hanoi's knowledge, no satellite survey has been performed since 2000. End Note.) UNODC and law enforcement sources do not view production as a significant problem in Vietnam. While the GVN does not admit that drugs are produced in the country, Nguyen Ngoc Tam was sentenced to death in Ho Chi Minh City on April 18 for involvement with a Taiwan-led drug ring that produced hundreds of kilograms of methamphetamines in a clandestine laboratory in Tan Thoi Hiep, Hoc Mon (Ho Chi Minh City). There have been unconfirmed reports in past years -- and more recent DEA intelligence information -- concerning probable indication on limited ATS production, as well as some seizures of equipment (i.e., pill presses). Recultivation appears to be a minor problem in the northwest. According to senior MARD official, almost 100 hectares of poppy recultivation were found (and 90 percent eradicated) during 2003 in Son La, Lai Chau, Yen Bai, Lao Cai, and Nghe An provinces in areas where opium had been previously eradicated. The official said that Son La and Lai Chau are responsible for 60 percent of the recultivation. Concerning cannabis, there appears to be a small, but persistent cultivation problem in Dong Nai, An Giang, Binh Thuan, and Dong Thap provinces in southern Vietnam. Anecdotal evidence also suggests that there may continue to be commercial crops of hemp in remote regions in the south.

Eradication/crop substitution -----

145. (U) As part of its efforts fully to comply with the 1988 UN drug convention, the GVN continued to eradicate poppy when found, and to implement crop substitution, introducing other crops such as mandarin oranges, tea, cinnamon, plums, herbs, hybrid corn, potatoes, and soybeans

to replace opium poppy cultivation. Concerning eradication, based on Embassy provincial visits and the UNODC, the GVN appears sincere in its poppy eradication efforts. However, GVN officials have admitted that complete eradication is probably unrealistic, given the remoteness of mountainous areas in the northwest and extreme poverty among ethnic minority populations who sometimes still use opium for medicinal purposes.

146. (U) There is a major UNODC crop substitution project (with significant USG support) ongoing in the Ky Son district of Nghe An province, one of the drug "hotspots" in northern Vietnam. This project, currently in its second phase, includes a crop substitution/alternative development component, where various types of fruit trees and other enterprises, such as beekeeping, have been implemented in areas formerly dedicated to poppy. UNODC representative Doris Buddenberg viewed the first phase as "successful," with an increase in agricultural production and corresponding drop in drug activity. Based on an Embassy monitoring visit in April (ref f), there has been progress in the livestock and agricultural models (the focus of USG assistance); however, the selection process of those receiving project assistance was not clear, a problem that UNODC is now addressing. A similar project planned in Son La province, another drug area along the Lao border, will not proceed. Prior to the proposed project signing, the GVN requested an alternate project location and more autonomy in administering the project. UNODC declined to meet the GVN's requests; after deliberation, UNODC decided not to proceed.

147. (U) In addition to Ky Son, the MARD has continued to support projects in various provinces. The GVN, through MARD, independently supports crop substitution projects in other provinces, including Hoa Binh, Yen Bai, Ha Giang, Cao Bang, and Lang Son. The GVN has tasked MARD to develop a national crop substitution proposal to include in the GVN's 2001-2010 Master Plan. To avoid indirectly encouraging poppy cultivation through subsidies for eradication, the GVN has placed all crop substitution subsidies under national programs to alleviate poverty in poor, mountainous regions. Apart from the foreign-funded crop substitution projects, according to a senior MARD official, this program (program 135) is designed to promote rural development, targeted at especially poor, mountain communes in Vietnam. According to a press report, in the four years of the program's implementation, the communes have already received VND 4,100 billion (USD 266 million) and an additional VND 274 billion (USD 17.8 million) from the line ministries, various sectors, local governments, and mass organizations. The funds were used for 14,000 work items to build roads, schools, and health stations. The program also helps decrease the number of poor households by 5 percent each year. According to the MARD official, the program has played a crucial role in weaning rural farmers from dependence on poppy crops.

148. (U) According to MPS Vice Minister Tiem, poppy cultivation has been reduced sharply in the previous decade. Poppy cultivation has existed in 153 mountain communes in 30 districts of eight northern and western provinces of Cao Bang, Yen Bai, Lao Cao, Lang Son, Nghe An, Lai Chau, Son La, and Hoa Binh. Marijuana crops are scattered in some localities in the south, Tiem also admitted. The GVN, through MARD, independently supports crop substitution projects in other provinces, including Hoa Binh, Yen Bai, Ha Giang, Cao Bang, and Lang Son. During 2003, the GVN tasked MARD to develop a national longer-term crop substitution proposal to include in the GVN's 2001-2010 Master Plan. To avoid indirectly encouraging poppy cultivation through subsidies for eradication, the GVN has placed all crop substitution subsidies under national programs to alleviate poverty in poor, mountainous regions. According to MARD officials, they have requested a 30 percent increase from the Ministry of Finance in MARD's allocation under the national poverty alleviation program.

149. (U) During 2003, MARD continued to develop future plans for crop substitution. In November, MARD sponsored two seminars in Son La and Yen Bai to review eradication/substitution efforts and to plan for 2004 and beyond with representatives from districts where the recultivation issues are most acute. According to a senior MARD official, topics discussed included:

- continuing eradication efforts;
- ensuring sufficient food for people (especially ethnic minorities) located in remote, poppy-growing areas; and,
- developing incentives to encourage local people to farm terraced rice, grow tea, cultivate fruit trees, and raise cows and bees.

Two more conferences on poppy elimination and alternative development took place in December. One in Dien Bien city in the newly-created Dien Bien province included representatives of 12 mountain provinces including the "hot

spot" provinces of Son La, Lai Chau, Lao Cai, Yen Bai, and Nghe An. The conference looked at the eradication effort and worked out measures to better address the recultivation issue. The second conference, cosponsored by MARD and the Ethnic Affairs Committee, took place in Thanh Hoa to discuss and learn from past experience and map out future plans for more effective substitution programs.

150. (U) When well-executed, crop substitution appears to be a viable program that also assists ethnic minority people in Vietnam's poorer, mountainous regions.

Drug flow/transit -----

151. (U) While law enforcement sources and UNODC believe that significant amounts of drugs are transiting Vietnam, DEA has not yet identified a firm case of heroin entering the U.S. directly from Vietnam, although it appears some may be entering via Canada and Australia. More commonly, drugs, especially heroin and opium, enter Vietnam from the Golden Triangle, making their way to Hanoi or especially to Ho Chi Minh City, where they are transshipped by air or sea to the Philippines, Hong Kong, Taiwan, Japan, and Australia. According to Vietnam Television (VTV), in one case, 17 drug runners were arrested in Japan. Nguyen Van Hoa was the ringleader who asked his subordinates to smuggle in 1.4 kg of methamphetamines to Japan via Osaka airport in January 2003. The gang was reported to have links with Nam Cam criminal syndicate. In another case, Ho Chi Minh City Customs Service at Tan Son Nhat Airport discovered nearly 700 grams of heroin hidden under the soles of a pair of sport shoes worn by a Vietnamese woman named Nguyen Anh Minh while she was completing formalities for an international flight. Minh admitted trafficking heroin from Hanoi to Ho Chi Minh City to smuggle into Taiwan. Every month since the beginning of 2003, she carried at least one shipment to Taiwan, police said. Vietnamese police "cooperated" with their Taiwanese counterparts to bust the entire drug ring.

152. (U) UNODC and DEA also believe that significant amounts of heroin and ATS are entering Vietnam from the southern PRC province of Yunnan. The GVN has separately reported ATS shipments entering the country via Malaysia, Hong Kong, Laos, and Cambodia. Australian Federal Police (AFP) sources have reported concern over heroin and methamphetamines arriving in Australia from Vietnam via couriers. There appear to be increasingly strong ties between drug criminals in Vietnam and the Vietnamese community in Australia. According to reports from AFP, many Vietnamese-Australians were involved in drug trafficking from Ho Chi Minh City to Australia. Ho Quang Vinh was arrested on April 10 while trafficking 949 grams of heroin concealed in two cartons of "Craven A" cigarettes. An AFP official in Hanoi reported that 18 narcotic drug shipments from Vietnam to Australia were discovered and 30 drug traffickers were arrested in 2003. Some of the examples are:

-- Nguyen Thi Kim Hieu, a Vietnamese-Australian, received life imprisonment from the Ho Chi Minh City People's Court for trafficking 811 grams (28 ounces) of heroin. Hieu was also fined 6,500 US dollars at the March 18 trial. Hieu had been arrested at Tan Son Nhat international airport as she boarded a flight to Sydney with the heroin concealed in six packages beneath her clothing. She told the court that a fellow Vietnamese-Australian had paid her around 35,000 Australian dollars (20,000 US dollars) to transport the drugs to Sydney;

-- Two other Vietnamese-Australian sisters were found guilty of trafficking heroin and given prison terms by a court in Ho Chi Minh City on June 12. Phan Thi Kim Phuong escaped the death penalty but was sentenced to life in prison, while her 14-year-old sister, Phan Ngoc Viet Phi, was given four years behind bars. Phuong was paid USD 50,000 to smuggle the heroin out of Vietnam to Australia. The two sisters were arrested at Tan Son Nhat airport as they were preparing to board a flight to Sydney with 656 grams of heroin hidden in their clothing;

-- Two Vietnamese-Australians -- Nguyen Manh Cuong and Mai Cong Thanh -- were arrested for possessing over 2 kg of heroin on June 17 in Ho Chi Minh City. The heroin was hidden in 76 loudspeakers found at a factory raid in Tan Binh district, packed and ready to be shipped to Australia. Police said Cuong admitted to sending heroin to Australia successfully on many occasions. His latest shipment was carried out in May, when he sent 110 loudspeakers packed with heroin to the U.S. via Australia.

-- Martin Pham, a Vietnamese-Australian, was arrested at Moc Bai border gate in Tay Ninh province when he was attempting to cross the border to Cambodia. Pham was identified as the kingpin of a drug trafficking organization of Vietnamese-Australians. The gang bought drugs in Cambodia, carried them through Vietnam and then continued to Australia;

-- Another Vietnamese-Australian was arrested on July 3 in a hotel in Ho Chi Minh City. He was identified as a focal

point for collecting and storing heroin in Vietnam before sending it to Australia by sea;

- Vietnamese-Australian Quach Tieu Buu and Tay Chin Kheng from Singapore were jailed for 20 years for drug dealing in Vietnam. The pair was convicted by a court in Ho Chi Minh City of trafficking nearly 1,500 pills, including Ecstasy. Prosecutors asked for life sentences;
- A Frenchman, Andro Stephane Michel Auguste, was sentenced to 20 years in prison on May 22 by Ho Chi Minh City People's Court for trying to take 317 grams of heroin out of the country;
- Ho Chi Minh City narcotics police charged two Canadians with possession of a large stash of ecstasy tablets. Gandy James Sachf and Nguyen Van Hai (also known as Sheena) were accused of smuggling 1,000 ecstasy pills from Europe into Vietnam, where they sell for about VND 200,000 (USD 13) a tablet;
- Police arrested Dang Van Thanh and Nguyen Van Tuan in Tay Ninh province near the Cambodian provinces of Svay Rieng and Kompong Cham. They allegedly belonged to a gang of drug traffickers that smuggled more than 100 kg of heroin into Vietnam. An official from Cambodia's Ministry of Interior said that the two governments are communicating about drug trafficking and that the two men arrested in Vietnam may be linked to drug smugglers who trafficked 24 kg of heroin to Australia in April;
- A 40-year-old Chinese citizen, Zhu Bo Lin, was arrested in December in Binh Chanh District of Ho Chi Minh City for trafficking 350 kg of cannabis purchased in Cambodia. The police said Zhu admitted to ties with a Vietnamese group that regularly deals in cannabis grown in Cambodia;
- On September 1, the Counternarcotics Police arrested Huynh Yen Penh (alias A Ty), a Cambodian national who was the kingpin of a drug ring trafficking heroin from Cambodia to Vietnam. Earlier in mid-2003, Tay Ninh border army units had arrested members of his gang smuggling hundreds of heroin bricks across the border.

153. (U) According to Phap Luat (Law) newspaper, ketamine has emerged this year in Hanoi and other major cities. Law enforcement agencies gave warnings of the spreading use of ketamine in nightclubs and discotheques, and called for stricter control of diversion from legal sources. According to SODC, the government issued a separate decree in November to include ketamine and other newly emerged drugs in the list of prohibited substances. In addition, Tai Ma is an herbal drug recently available in Hanoi in the form of twigs of leaves with tiny seeds. It is smoked on tobacco-pipe and has cannabis-like effects. Another type that was recently reported in Vietnam is a yellow-color, odorless extract of opium called Hong bi. This new drug was trafficked across the border between Vietnam and China.

154. (U) According to Cong An Nhan Dan (People's Police) newspaper, although the number of trafficking cases went down, the seriousness of the cases increased. The ATS flow into the country during 2003 became increasingly complicated, especially in border areas. Along the Vietnam - Laos border, authorities seized 95.2 kilograms of heroin, 169.4 kilograms of opium, and 12,320 doses of ATS, respectively accounting for 68 percent, 64 percent, and 49.2 percent of this year's entire total. For the Vietnam - China border, the problem was mainly in Lang Son, Cao Bang, Quang Ninh, and Lao Cai, where most of the drugs trafficked are addictive pharmaceuticals, opium, and cannabis. The seizures were 5.9 kilograms of heroin, 65.5 kilograms of opium, 295 kilograms of cannabis, and 56,399 tablets and vials of addictive pharmaceuticals, respectively accounting for 4.2 percent, 25 percent, and 24 percent of this year's entire nationwide amount. Lastly, on the border between Vietnam and Cambodia, the most serious cases were in Tay Ninh, Dong Thap, Long An, Kien Giang, An Giang, and Binh Phuoc provinces. Law enforcement agencies investigated 310 cases with 700 suspects, and seized 4.14 kilograms of heroin, 4,521 doses of ATS, 551 kilograms of cannabis, and 100,905 tablets and vials of addictive pharmaceuticals, respectively accounting for 26 percent of the number of cases, 3.6 percent of the number of suspects, 3.2 percent of the heroin amount, 18 percent of the volume of ATS, and 43 percent of the amount of addictive pharmaceuticals nationwide. Hanoi and Ho Chi Minh City are still seen as "hotspots" for transit and consumption. During calendar year 2003, authorities in the two cities investigated 3,519 cases with 5,883 suspects, and seized 20 kilograms of heroin, 5,556 doses of ATS, and 100,088 tablets and vials of addictive pharmaceuticals, respectively accounting for 29.8 percent of the number of cases, 30.6 percent of the number of suspects, 14.2 percent of the heroin amount, 22.2 percent of the volume of ATS, and 42 percent of the amount of addictive pharmaceuticals nationwide.

155. (U) Transporting drugs by air and mail continued in 2003. During the year, foreign police agencies shared intelligence with their Vietnamese counterparts, leading seizures of 60 kilograms of heroin in Taiwan, 20 kilograms of heroin by the Australian police, and 30 kilograms of heroin in the PRC. In addition, the number of addicts in

Vietnam increased by 10,000 over 2002. 51 out of 64 provinces and cities nationwide now admit to having addict populations. Police forces have promised better to coordinate with the customs and border army authorities to prevent drugs flowing in through the border and ports. Drugs are also transiting Vietnam from Laos via Nghe An Province and on to Vinh City, which serves as a major port for land-locked Laos. The drugs then follow similar routes as described above. Since there is considerable legitimate commerce from Laos, law enforcement sources reported that it is fairly easy to employ different concealment techniques. Some drugs also arrive from Laos and Cambodia to Ho Chi Minh City and then are transshipped to Singapore, Malaysia, and other countries in the region.

Domestic programs/demand reduction

156. (U) The GVN views demand reduction as a key component of the fight against drugs as well as an integral part of its efforts fully to comply with the 1988 UN Drug Convention. Within the GVN, MCI is responsible for public drug control information and education among the general population. The Ministry of Education and Training (MOET) carries out awareness activities in schools. Anti-drug material is available in all schools and MOET sponsors various workshops and campaigns at all school levels. In November, NCADP announced that, authorities had received over 25 million entries for a nationwide contest on "knowing the drug law." In its 2003 drug activity report, SODC reported that the border forces played an "active role" in disseminating anti-drug information to border villages and communes. Activities included sponsoring contests, such as art projects, to demonstrate local commitment against drugs. On several provincial trips, emboffs heard from local citizens (not in the presence of GVN officials) that they are aware of drug issues through media campaigns directed at the general public as well as school students, and also of the connection between intravenous drugs and HIV/AIDS. Emboffs have observed anti-drug billboards in virtually every town visited.

157. (U) UNODC views GVN drug awareness efforts in 2003 "more or less the same" as in 2002, while assesesing that Vietnam has already done a "good job" in this endeavor. According to UNODC, awareness efforts have mostly been on the "formality" level, however, so these efforts have had minimal impact on the addict and HIV/AIDS population. Behavior modification is still a problematic issue for the GVN. UNODC believes that the challenge for Vietnam is how to implement awareness campaigns more regularly at the grassroots level, and better encourage the participation of the youth population. According to UNAIDS and the GVN, just under 70 percent of cumulative HIV/AIDS cases in Vietnam are related to injection drug use. Furthermore, HIV surveillance indicates that nationwide, 30 percent of injection drug users are HIV-infected; this percentage is much higher (60-80 percent) in Ho Chi Minh City and the northeastern provinces. Recognizing the close link between drug use and HIV/AIDS, the GVN in 2003 continued a public information campaign regarding HIV/AIDS awareness and the connection between drugs and HIV/AIDS. The GVN continued a long-standing campaign of anti-drug posters all around Vietnam, and Vietnamese television and radio have increased the pace and volume of anti-drug and HIV/AIDS warnings through a continuing series of advertisements featuring popular singers and actors.

158. (U) Vietnam has a network of drug treatment centers (refs g and h). According to MOLISA, with three new facilities in Binh Phuoc (2) and Hanoi (1), there are now 74 centers at the provincial level, and 7,100 treatment facilities at lower levels. The provincial centers have a capacity of between 100 to 3,000 addicts each. Haiphong and Son La are now building centers. In the southern province of Ba Ria Vung Tau, the People's Committee is investing VND 97 billion (USD 6.3 million) in a new treatment center in Xuyen Moc District's Hoa Hiep Commune, where 2,000 drug addicts, prostitutes, and HIV/AIDS patients will receive vocational training. The center will also house about 478 family members. Haiphong organized a ground-breaking ceremony for a treatment center in Gia Minh commune, Thuy Nguyen district on March 27. The center has a total area of 103 hectares with a maximum capacity of 1,000 drug addicts. Initial investment is VND 72.48 billion (USD 4.7 million).

According to MOLISA Vice Minister Dam Huu Trac, Vietnam's treatment goals for 2003 include:

- treatment and post-treatment supervision for 60 percent of the registered addicts;
- reduction of the relapse rate by 10 percent;
- in provinces such as Quang Tri, Quang Binh, Thua Thien Hue, Gia Lai, Kon Tum, Quang Nam, Tra Vinh, Phu Yen, Binh Dinh, and Binh Thuan (where addiction is not a serious

problem), treatment of 100 percent of the addicts and a goal of no addicts by 2005;
-- treatment of at least 60 percent of the addicts in other provinces;
-- investment to upgrade and expand existing centers.

159. (U) To encourage the treatment effort, Prime Minister Khai visited Nhi Xuan Center for Education, Vocational Training and Employment (for addicts), in Ho Chi Minh City in February. The Prime Minister spoke highly of the achievements by the center and praised the seriousness of the staff.

160. (U) In an interview by An Ninh Thu Do (Capital Security) newspaper, Director of Hanoi Social Evils Prevention Branch Nguyen Vi Hung said that there are only six rehabilitation centers in Hanoi City, but the municipality plans to build more centers to provide treatment to 5,000 drug addicts. According to Hung, there are now 12,536 drug addicts in Hanoi, of whom 1,500 are in jails, 3,500 are in treatment centers, and 7,500 are receiving "community treatment." Hung said the city planned to increase the current capacity to 8,000 beds by 2006. In addition, the Hanoi People's Committee has decided to build a new drug rehabilitation center and expand six others to cope with increasing numbers of drug addicts. The new center will be located at Ba Vi district, Ha Tay province.

161. (U) Over the past two years, Ho Chi Minh City has allocated VND 500 billion (USD 32.3 million) for its "Three Reductions" campaign against drug abuse and trafficking, prostitution, and crime. The city revealed the figure at a conference reviewing the program's first two years. Much of the fund was used to build, repair, and/or upgrade 18 centers for 28,000 drug addicts and sex workers. Another 23,000 drug addicts received treatment at home under the supervision of local authorities. According to Tuoi Tre (Youth) newspaper, Ho Chi Minh City now has 37,423 addicts, an increase of 7,423 over 2002. Out of that number, 33,577 are in treatment facilities.

162. (U) SODC officials have admitted that the centers are often inadequate, and that the high recidivism rate is "unacceptable." Based on a number of visits throughout the year, Embassy agrees that drug center conditions range from good (in Ho Chi Minh City) to under construction (Lang Son province, Can Tho City). Community-based drug treatment outside of centers is spotty; counselors are expected to make visits to addicts being treated at home and provide advice and some medicines, if needed, but services are inconsistent.

163. (U) No such escapes from drug treatment centers have been officially reported in 2003, unlike in 2002. However, according to a senior MOLISA official, the escape rate for 2003 was 10 percent. This problem has occurred mainly in Ho Chi Minh City, Hanoi, Yen Bai, and Quang Ninh; 3,300 addicts escaped in Ho Chi Minh City alone in 2003.

164. (U) During its June 2003 session, the NA approved a five-year pilot project on post-treatment vocational training developed by the Ho Chi Minh City People's Committee. However, Deputy Chair of the NA Legal Commission Nguyen Van Thuan pointed out two "problematic" issues related to "legal aspects" and "human rights," notably keeping drug users beyond the drug law's two-year compulsory treatment, was illegal. According to Nguyen Hoang Mai of the NA's Social Affairs Committee, the goal of the program is to try to reduce the relapse rate (generally estimated at about 80 percent for all categories of drugs, similar to western countries, with the relapse rate for heroin and other narcotics considerably higher) by providing recovering addicts with more skills that would enable them to assume "productive lives after treatment." NA Chairman Nguyen Van An said that the pilot project, begun on August 1, is being implemented in Ho Chi Minh City and other major provinces and cities, according to press reports, following the Prime Minister's approval. According to the project document, the training and employment of rehabilitated drug addicts will be undertaken on "voluntary" basis. However, those who do not volunteer but run high risk of relapse will be compelled to stay. In the third quarter of 2003, Ho Chi Minh City sent 400-500 recovering drug addicts to work in the Nhi Xuan industrial park. Between 2003-2005, the city will send 13,500-16,000 former drug users to the industrial complex specifically designed for post-drug rehabilitation.

165. (U) Deputy Prime Minister Khiem held a meeting with Ho Chi Minh City municipal officials on September 9 to review the program. The municipality reported that 27,898 drug addicts had been placed in rehabilitation centers by September 5. Over VND 500 billion was injected to the program to construct new buildings and upgrade and expand 18 rehabilitation centers to accommodate 30,000 drug addicts. The design for the industrial parks and "new urban areas" in Nhi Xuan, Hoc Mon District and An Nhon Tay, Cu Chi District

had been completed. The Nhi Xuan industrial park will provide jobs to 12,000 workers, of which 5,000-6,000 will be former drug users. 28 enterprises and businesses in Ho Chi Minh City have cooperated with 18 rehabilitation centers to provide employment opportunities. 20 more enterprises and companies have plans to employ post-rehabilitation workers.

166. (U) According to MOLISA, the nation's rehabilitation center system has undertaken detoxification and rehabilitation for 54,760 drug addicts. Among them, 27,000 were carried over from year 2002. Ho Chi Minh City has the largest number of participants, with 8,500, followed by Hanoi with 3,500. Despite these efforts, the number of drug users receiving treatment remains proportionally small. Only 46,723 cases were treated last year, accounting for 32.9 percent of registered drug users nationwide. In order to overcome this situation, many provinces such as Hanoi, Thanh Hoa, Hai Phong, Son La, Ho Chi Minh City, and Ha Tay are constructing or expanding their rehabilitation centers. The biggest obstacle for rehabilitation is job creation and post-rehabilitation monitoring. In the last 9 months, only 68 out of 9,068 post-rehab addicts obtained employment.

167. (U) According to a senior MOLISA official, Nguyen Minh Triet, Secretary of the Ho Chi Minh Municipal Party Committee, said publicly that he "could bet his political career on the success of the program," but the project has not been completely successful. The MOLISA official pointed out that keeping the recovering addicts in "employment parks" is a way of applying administrative punishments through "detention" in a way that fails to ensure the detainees' human rights.

168. (U) Vocational training in the centers remains uneven, ranging from fairly good to nonexistent. In Yen Bai province, there is widespread participation in carpentry, tailoring, tree planting, and construction training. In Quang Nam province (central Vietnam), on the other hand, there was no training available. Staff training at the centers is generally limited to on-the-job, due to lack of resources. Neither of these problems is likely to be resolved in the foreseeable future. Inadequate funding plagues drug treatment centers, similar to many other public institutions in Vietnam. This does not appear to have changed during 2003. On a more positive note, Ho Chi Minh City announced in September it would be adding nearly USD 800,000 to its anti-drug campaign, much of it aimed at drug awareness and treatment.

169. (U) HIV/AIDS is a serious and growing problem in Vietnam and one that is closely related to intravenous drug use. At least 60-70 percent of known HIV cases are related to injection drug use, and in some intravenous drug user (IDU) populations the HIV prevalence rate exceeds 80 percent, according to GVN statistics. In February, NCADP organized a national conference to review HIV/AIDS work in 2002. Vice President Truong My Hoa and Deputy Prime Minister Khiem attended the meeting. According to reports at the conference, HIV/AIDS cases exist in all provinces and cities, and at least 61 percent of the carriers are due to intravenous drug use. Vice President Hoa urged the entire society to gather strength against the "century epidemic" via different programs. During 2003, Vietnam continued its efforts to combat the HIV/AIDS epidemic through the following activities:

-- September 3-14, a GVN delegation traveled to the U.S. for a study tour to observe HIV prevention programs for IDUs, co-sponsored by the U.S. Centers for Disease Control and Prevention (CDC) and the Ford Foundation. The delegation, led by MOH Vice Minister Hung, included high level officials from the MPS, MOH, and MOJ, who visited various HIV prevention programs in New York City (including programs for incarcerated populations at Rikers Island); community outreach strategies; and drug abuse treatment programs including methadone maintenance (Bronx Clinic);

-- From September 30 to October 2 in Hanoi, Vietnam and the U.S. co-organized a major conference on HIV/AIDS prevention. The conference was chaired by MOH and supported by the CDC/Global AIDS Program (GAP). Participants focused on measures to prevent drug addicts from acquiring and transmitting HIV/AIDS;

-- In a meeting with UNDP chief representative Jordan Ryan, Deputy Prime Minister Khiem asked the UNDP to help Vietnam form an effective HIV/AIDS prevention strategy to fend off the rapid spread of the disease. Khiem stressed that the epidemic is one of the most pressing issues facing the Government of Vietnam;

-- During the June Session of NA, Nguyen Thi Hoai Thu, Chairperson of the NA's Commission of Social Affairs, called for stronger combat against "social evils" (usually drugs, prostitution, and trafficking in persons) and HIV/AIDS to ensure sustainable development. Ms. Thu also urged the line ministries, particularly MPS and MOLISA, to improve inter-ministerial cooperation;

-- The largest drug treatment center in southern Vietnam --

Binh Phuoc Drug Rehabilitation and Vocational Training Complex -- opened in May 2003; it plans a 100-bed ward for drug addicts infected with HIV/AIDS;

-- HIV infection among drug users and solutions to curb the infection were discussed in the "Scientific-Practical Workshop on Drug and Reduction of HIV/AIDS Transmission: Situation and Solution" organized by the CPV's Central Commission of Ideology and Cultural Affairs on August 20. According to the presentation made by MPS representatives, the number of registered drug users has increased from 2000 to the end of June 2003 by 50 percent, from 104,000 to 153,000; the real number is believed to be even higher. Over 70 pct of these are IDUs. According to national "sentinel" surveillance, overall HIV infection in this group is 30 percent, with HIV prevalence peaking at up to 80 percent in some provinces. At least 60 pct of the cumulative 69,000 people with HIV detected in Vietnam thus far have a risk factor linked to injection drug use. According to a MOLISA report, 90 pct of sex workers in rehabilitation centers had used drugs in the past and 20-30 pct were dependent on drugs. In the conclusion of the workshop, Dr. Dao Duy Quat, the Vice Chairman of the CPV's Commission of Ideology and Cultural Affairs, reaffirmed that the situation of HIV infection among drug users and the risk of transmission to the wider community in Vietnam was alarming and that harm reduction is an effective and affordable approach. He also advocated the promotion of condom use among high-risk groups to avoid HIV transmission to the wider community;

-- MOH organized a conference on September 26 in Hanoi to gather comments on the 5th draft of the national strategy for HIV/AIDS control until 2010. The draft contains an exclusive chapter in advocacy for harm reduction including high-risk behavior-change communication, needle and syringe exchange, and substitution drug treatment. Vietnam has set a target to keep the infection rate under 0.3 per cent;

-- As of the end of 2003, the GVN estimated that there were 80,000 people infected with HIV; 11,000 cases of full-blown AIDS; and 6,065 deaths from AIDS-related diseases. Because HIV testing in Vietnam is still limited, current numbers of HIV infected persons are greatly underestimated. However, based on current figures, the number of HIV-positive people in Viet Nam is projected to be 197,581 in 2005 and 350,975 in 2010. With support from international donors, MOH is currently re-estimating these projections. The new estimates have not yet been released, but unofficial reports suggest they will be higher;

-- In a recent decree, Prime Minister Khai decided to give a special allowance to army soldiers and national defense officials who manage, educate, care for, or give medical check-ups to people with HIV/AIDS. Soldiers and national defense officials infected with HIV/AIDS on the job will get check-ups and treatment and enjoy preferential policies as "sick soldiers." Part of the decree specifies that they will be recognized as martyrs when they die;

-- MOH issued a directive on HIV/AIDS prevention during the 22nd Southeast Asia Games calling for increased accessibility to condoms at drug stores, groceries, cigarette kiosks, tea stalls, and among peddlers. More syringes were also put on sale at the pharmacies. IEC (INFORMATION - EDUCATION - COMMUNICATION) pamphlets and hand-outs carrying messages of HIV prevention in Vietnamese and English were widely distributed in public places such as hotels, rest houses, playing fields, and bus stops.

170. (U) GVN authorities appear to recognize the problem and are cooperating with the USG and other donors. USAID has a USD 4 million HIV/AIDS program, administered through several non-governmental organizations. USAID's funding level will rise to USD 6 million in 2004. However, USAID has also recommended that the GVN "dramatically increase its commitment to fighting HIV/AIDS," including adopting additional national public health policies and a multi-sectoral approach.

171. (U) CDC has a five-year USD 10 million program with ongoing HIV/AIDS technical assistance bilateral program through CDC/GAP. According to CDC, during 2003, the GVN continued stronger support for HIV prevention programs, including voluntary counseling and testing (VCT) and community outreach in speeches and media. Thus far, CDC has funded 20 anonymous MOH VCT programs in separate provinces over the past 12 months, with plans to expand to 35 provinces by September 2004. With these programs, more than 7,000 persons have already been HIV-tested, of whom 23 percent are HIV-infected. CDC/GAP has also supported MOH in community outreach programs for IDUs in 15 provinces; in these, trained peer educators have made over 9,000 contacts with IDUs, providing HIV prevention education and referral to VCT or other services. On the GVN's part, some major cities (i.e., Ho Chi Minh City) have established additional VCT sites at local levels, and one VCT center supported by Family Health International (FHI) recently opened in Hanoi at the national Bach Mai hospital. (Note: GVN officials at the central and provincial levels take great pains to refer to drug addicts and users as well as HIV/AIDS patients as

"victims" rather than criminals. End Note.)

172. (U) Since 1998, USAID funding totaling USD 13 million has supported a large-scale prevention, mitigation and care, and support-focused HIV/AIDS program, predominantly through its Global IMPACT Project, implemented by Family Health International. This program focuses its comprehensive interventions in three high-prevalence provinces, targeting high-risk groups. Key partners include MOH, Provincial AIDS Committees, as well as CDC. Additionally, USAID is supporting national policy development through the POLICY Project, including assistance to the GVN on its National HIV/AIDS strategy and its Ordinance review. USAID programs also support advocacy for People Living with HIV/AIDS, a study on the impact of stigma and discrimination, and the development of Leadership Advisory Groups to raise awareness and to reduce stigma and discrimination. USAID's funding in the period 2004-2007 is expected to reach approximately USD 25 million.

173. (U) Planned or ongoing GVN actions include:

- opening 20 VCT sites, with 15 more are anticipated by the end of 2004;
- three new peer education programs have been initiated, 13 more were opened during 2003 and five more are anticipated by 2004;
- two new outpatient clinics for HIV care and treatment have been opened for diagnosis and management of opportunistic infections;
- 31 provinces currently support surveillance sites that monitor the spread of HIV/AIDS among a cross-section of the population; and,
- the GVN is working with the USG and other foreign donors in the areas of HIV management and care, diagnosis and management of opportunistic infections, and assessing the evidence for HIV prevention for injecting drug users. Also included among this action are behavioral surveillance, stigma reduction, and policy development and enforcement at the central level, as well as capacity building at the central and provincial government levels.

U.S. POLICY INITIATIVES AND PROGRAMS

174. (U) In 2003, Vietnam and the U.S. completed and signed a bilateral counternarcotics agreement. The agreement included counternarcotics and law enforcement projects totaling USD 333,390. It represents the first direct bilateral counternarcotics program assistance to Vietnam. The USG currently funds training annually for some GVN law enforcement officers and other officials involved in the legal arena for courses at the International Law Enforcement Academy (ILEA) in Bangkok. During calendar year 2003, U.S. Embassy Hanoi sent 49 law enforcement officers for training at the Academy.

175. (U) The USG also contributes to counternarcotics efforts through UNODC. During 2003, the USG made contributions to two projects: "Measures to Prevent and Combat Trafficking in Persons in Vietnam," and "Interdiction and Seizure Capacity Building with Special Emphasis on ATS and Precursors."

Other ongoing UNODC projects:

- National Drug Control Masterplan (USD 100,000 USG contribution; Sweden and Italy are also donors). This ongoing project is intended to assist the NCADP to develop a 2001-2010 masterplan for controlling drugs. According to SODC, the Plan is now ready for the Prime Minister's approval;
- Ky Son Phase Two, a socio-economic development project to replace opium poppy cultivation. (USD 635,000 USG contribution; Germany, Luxemburg, Sweden, and Japan are also donors.) This project began in 2002 and is intended to build on the success of Phase One in establishing drug demand reduction programs among ethnic minority people in a remote area of Nghe An province, adjacent to the Lao border. The three project components include community development, alternative development, and infrastructure development.
- Project Vie/B85 on prevention of drug abuse among ethnic minorities in northern Vietnam (Son La, Lai Chau and Lao Cai);
- Vie/03/G61 on strengthening the existing working models and establishing a new innovative partnership with local NGOs for community-based prevention of high risk behavior related to IDU (coordinated by UNAIDS);
- Project R21 on Trafficking in Persons (U.S. is one of the donors).

The road ahead

176. (U) The GVN is acutely aware of the threat of drugs and Vietnam's increasing domestic drug problem. However, there appears to be continued suspicion of foreign law enforcement

assistance and/or intervention, especially from the U.S., in the counternarcotics arena. This is one of the factors impeding progress in counternarcotics law enforcement. During 2003, as in previous years, the GVN made progress with ongoing and new initiatives aimed at the law enforcement and social problems that stem from the illegal drug trade. Notwithstanding a lack of meaningful cooperation with DEA, the GVN continued to show a willingness to take unilateral action against drugs and drug trafficking. Vietnam still faces many internal problems that make fighting drugs a challenge. With the conclusion of the counternarcotics LOA, the USG can look forward to enhanced counternarcotics cooperation, and DEA involvement in LOA-related training activities could open the door to improved cooperation with that agency.

STATISTICS

177. (U) BELOW ARE OFFICIAL 2003 VIETNAM DRUG STATISTICS PROVIDED BY THE SODC. THE FIGURES REPRESENT THE FIRST NINE MONTHS OF THE YEAR. FINAL FIGURES WILL BE SUBMITTED SEPTTEL.
178. (U) BEGIN TEXT, INCSR SUMMARY TABLES.

SUMMARY TABLES FOR THREE YEARS

-- 1. COCA. VIETNAM PRODUCED NO COCA IN 2003 OR PREVIOUS YEARS.

-- 2. POTENTIAL COCA LEAF. NOT APPLICABLE TO VIETNAM.

-- 3. OPIUM.

STATISTICAL TABLE

DRUG CULTIVATION (HECTARES)	2003	2002	2001
HARVESTABLE CULTIVATION	94	315	200
ERADICATION	94	315	200
POPPY HARVESTED (SEEDS)	0	0	0

-- 4. POTENTIAL OPIUM GUM. NOT AVAILABLE.

-- 5. CANNABIS. SODC ADMITS CANNABIS CULTIVATION IN VIETNAM'S SOUTHERN PROVINCES OF DONG NAI, AN GIANG, DONG THAP. HOWEVER, THE AREA IS RELATIVELY SMALL. SODC HAS NO FIGURE AVAILABLE ON HOW MANY HECTARES OF CANNABIS PLANTS WERE UPROOTED IN THESE PROVINCES. CANNABIS ALSO ENTERS VIETNAM FROM CAMBODIA.

-- 6. POTENTIAL CANNABIS YIELD. NOT APPLICABLE.

-- 7. DRUG SEIZURES IN KILOGRAMS:

STATISTICAL TABLE

SEIZURES	2003	2002	2001
1A. COCA LEAF	N/A	N/A	N/A
1B. COCAINE PASTE	N/A	N/A	N/A
1C. COCAINE BASE	N/A	N/A	N/A
1D. COCAINE HCL	N/A	N/A	N/A
E/F.OPIUM	254.3	462.62	535.55
1G. HEROIN	239.8	53.87	33.35
1H. CANNABIS	329.3	234.6	1,281
1I. OTHERS, BY UNITS			
(TUBES OF ADDICTIVE DRUGS)		203,647	
(DOSES OF HEROIN)		N/A	
(ATS)		25,686	

-- 8. ILLICIT LABS. DURING 2003, SODC REPORTED NO LABS BEING DESTROYED.

-- 9. DOMESTIC CONSUMPTION OF ILLICIT DRUGS. NO AVAILABLE STATISTICS.

-- 10. ARRESTS.

STATISTICAL TABLE

NUMBER OF ARRESTS BY NUMBER OF CASES/NUMBER OF PERSONS ARRESTED.

2003	2002	2001
10,000/16,000	11,057/17,873	10,739/18,040

-- 11. USERS.

STATISTICAL TABLE

NUMBER OF REGISTERED DRUG ADDICTS

2003	2002	2001
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152,900
BELLARD

131,000

104,669